Sorenson Media, Inc.

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Video Re Services Offering

Sorenson Media, Inc. notice to secure FCC/NECA approvals for VRS reimbursement.

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Sorenson Media's Video Relay Solution

Sorenson Media, Inc.

Sorenson Media ("Sorenson"), a recognized leader in video compression and streaming services, in conjunction with its sister company Sorenson Technology, a leading provider of embedded solutions that enables visual communication for broadband markets, have created a completely integrated Video Relay Service (VRS) solution to enable the instantaneous visual communication for the deaf and hard of hearing market. The Sorenson VRSTM solution makes high-quality video communication over the Internet affordable and easy-to-use for interpreting agencies serving the deaf and hard of hearing community. Sorenson Media is backed by one of the most financially secure investors in Utah, Sorenson Development. Incorporated.

Currently, Sorenson Media is preparing to market this new solution with its affiliate interpreting agencies by conducting a 30 to 90day trial with selected qualified affiliates and their customers. After the trial is completed the solution will be tailored and launched commercially.

Sorenson VRSTM - Video Relay Solution

The Sorenson VRSTM solution offers the first affordable solution that combines cuttingedge video communication technology with the best practices for developing and managing an Internet based Video Interpreting Operating (VIO) center. The end result is an easy-to-use solution that empowers the interpreting agencies across the country to offer video relay services to the deaf and hard of hearing community without having to deal with the complexities of video communication, call center management, networking and data center operations.

The Sorenson VRSTM solution is comprised of an application specific call center management solution and award winning endpoint (video phone) technology. This solution is further described below.

VRS Call Center Management

Sorenson's VRS solution includes a robust call center management system that implements best practices in working with deaf and hard of hearing customers. The

solution is designed to meet FCC and NECA regulatory approvals for offering video relay services of running a Video Interpreting Operation (VIO).

The VRS call center management solution directs and manages the video calls as they are initiated by either the deaf or the translator. The call center management solution incorporates the Sorenson VRSTM server and the data center.

Sorenson VRS Server and Sorenson Data Center

The VRS server is located at Sorenson's data center facility. This state of the art facility has high speed D3 Internet infrastructure with computer back-up systems that provide reliable services to the interpreter affiliates.

Sorenson VRS Server

The Sorenson VRS server provides a connection between the client software running on the interpreters PC and the Sorenson server. Sorenson VRS Server offers the following:

Secure Customer Database

Store customer approved information including name, IP address of video phone, interpreter preferences.

Regional Affiliate Call Center Profiles

Individual interpreters have their own unique logon credentials and skill sets identified to aide in call routing and proper billing.

Billing and Report Generation

Complete bill generation is provided for NECA reimbursement and for Sorenson interpreting affiliates to track call time, users and interpreter statistics. The tracking system is compliant with NECA/FCC regulations for video relay services.

Phone Directories

Upon customer approval, the system can maintain a video phone directory service which simplifies the process to connect to relay services with other video conferencing endpoints by listing the other users by name and phone number. The endpoint IP address identification and server negotiation is performed transparently to the user.

Call Monitoring

Customer service representatives at the Sorenson facility can aide the dispatch of calls to interpreting affiliates. Sorenson and the affiliates can monitor calls in the queue and call wait time for each caller.

VRS Certificate Server

To reduce the risk of billing fraud the Sorenson VRSTM solution offers the ability to digitally certify the interpreters identity, which acts as a notarization of approval of the interpreter. The duration of the relay calls are automatically measured and recorded in a secure database.

Automated Call Routing

For the customers' preference, automatic call routing is provided to the most appropriate interpreter. This minimizes wait time and eliminates the need for either **an** interim customer service contact or the interpreter collecting information needed for calls.

Queue Management and Call prioritization

Interpreters and customer service representatives can manage calls in the queue or have the system automatically determine the call list based on wait time and caller priority. For cases when customers need immediate response, as in the case of an emergency call. The caller can be immediately dispatched to the appropriate agent. **As** per FCC regulations for video relay, Sorenson encourages customers to use the standard '911' emergency systems but will provide emergency service dispatch as required.

Sorenson VRS Client

The Sorenson VRS Client is software residing on a personal computer at the interpreter's location. The interpreter uses the client software to identify both calling parties and can view customer authorized profile information to improve service for the call. The interpreter navigates an intuitive user interface to begin the call. The system is designed to minimize any distractions for the interpreter so they can focus on offering the best interpreting service possible for their clientele.

Video Phones

The Sorenson video phone (VP-100TM) is a video phone appliance that sits on top of a TV and enables two-way video conferencing between the deaf or hard of hearing individual and the video relay interpreter. The VP-100TM does not require a PC or any other type of computer. The VP-100TM will provide an easy-to-use and easy-to-maintain low cost solution for high-quality video communication using the broadband Internet. The video phone is also fully integrated with the Sorenson VRS solution.

The VP-100TM video phone offers real-time video communication at performance of up to 30 frames per second. In contrast with current low-quality, high-maintenance solutions for the PC. such as NetMeeting, the Sorenson Technology video phone appliance requires minimal support and provides a much higher quality video experience. The high quality and performance of the Sorenson video phone is required to meet the demands of real-time video interpreting with its high-speed hand motion.

The video phone offers similar performance of up to 30 frames per second **as** a high-end video conferencing solution but at a fraction of the cost.

In addition, for users desiring to use existing video communication solutions on PC's, like NetMeeting, the Sorenson VRSTM service and the VP-100TM video phones are fully compliant with existing solutions, as well as many other video communication offerings.

Interpreting Affiliates

Previously, text-based communication devices (TTY and TRS) have been used to facilitate the flow of communication. However, even with the best technology implemented this method of communication does not convey the emotion or visual cues that are vital to human communication. Additionally, while "instant-messaging" is convenient and easy this method of communication also is removed from transmitting visual cues. Furthermore, traditional video conferencing solutions are expensive, complicated to install and maintain and do not include an integrated solution to manage the VRS call center.

The Sorenson VRS™ solution gives interpreting agencies and individual interpreters the ability to offer their own customers a new technology that streamlines the human relay of visual communication – in a way never experienced before. Now, deaf and hard of hearing individuals are able to visually communicate in real-time with an interpreter without the need to wait for text relay. This easy-to-use VRS solution not only speeds up the communication process, but it enables the interpreter to convey human emotion through high-quality video.

Sorenson is partnering with the nation's leading interpreting agencies and interpreters to offer state of the art solutions to the deaf and hard of hearing community.

Marketing Promotion

Upon commercial availability of the system, Sorenson Media will promote the VRS service to the deaf and hard of hearing community at major events and regional events with Sorenson interpreter affiliates.

Regulatory Compliance

Sorenson and the interpreter affiliates will comply with current regulations for offering video relay services (VRS). Sorenson intends to deliver VRS in the most efficient manner to individuals with hearing disabilities in the United States. Sorenson will enter into contractual agreements with qualified interpreting agencies and meet requirements for compliance with all applicable state and federal regulations for offering VRS.

The following items address specific FCC regulations with the Sorenson VRS solution

Complaint Logs

The Sorenson VRSTM solution will track and maintain a complete customer complaint log with full reporting capabilities that at minimum will include the date the complaint was filed, the nature of the complaint, the date of resolution and an explanation of the resolution. The reports shall be filed in compliance with FCC and Utah Public Utility Commission rules.

Customer Information

Sorenson's call center management solution will provide callers with the opportunity to retain information beyond the length of the call in order to offer improved services in the future. For instance, repeat calls to the same party (Speed Dial Lists) would be expedited if the caller's Internet Address and some information on network information (upload bandwidth) is known, to improve the speed of call connection and improve the video quality.

If a customer-authorized Speed Dial List is used then the CA's (communication assistants) will use the same clarification as for STS calls, repeating and confirming the name and number to use.

The standard operating practice for the Sorenson VRSTM solution per FCC requirements will be to retain the customer information only as long as it takes to complete the call.

Security measures will be taken to protect the security of any retained caller profile information. No conversation content will be retained or recorded in any manner.

The Sorenson server database will contain any customer authorized information and will be available for new VRS companies should a transfer be required under section 222 of the Act covering customer proprietary network information (CPNI).

Caller Services

The interpreter affiliates under their service level agreement with Sorenson will not limit sequential calls or limit the length of calls. The Sorenson VRSTM solution with both its

server and client systems shall not limit the above call types. **A** visual call timer will indicate call time and the interpreters will be required to stay with the caller for at least 15 minutes provided the total call time is at or over that limit.

Skills Based Routing

The solution shall have the ability to identify various CA profiles such as gender, Spanish fluency and technical proficiency. The interpreter affiliates will make best efforts to accommodate a VRS user's requested **CA** gender preference when a call is initiated and. if a transfer occurs, at the time the call is transferred to another CA.

Hours of Operation

Initial hours of operation will be 9:00AM to SPM, Monday through Friday. It is Sorenson's plan to extend these hours as customer demand dictates or as required by regulatory changes.

Interpreter Services

The interpreters shall meet or exceed minimum service quality and training standards required by FCC, NECA and state agencies. Sorenson's service level agreement will require compliance with these standards. The interpreters will provide access to interactive menus and recorded messages.

Administration and Marketing

The Sorenson VRSTM solution will record and report the appropriate contact information to state and FCC officials and Sorenson will supply the required contact information for operating a VRS business. Sorenson and it's interpreting affiliates will promote and provide education about the benefits of VRS on its website, at events and in trade publications. Sorenson will initially pay for long distance calls to hearing clients to complete VRS calls in the continental United States. If any future phone charges are levied to the customer they will be at a rate no greater than phone rates for equivalent voice services without VRS.

Emergency Call Handling

During the VRS waiver period from DA 3029 ending 12/3 1/03, Sorenson and the interpreting affiliates will be responsible for providing emergency call handling quickly and efficiently but not necessarily through automated means. Sorenson and the interpreting affiliates will notify customers via promotional materials and web sites about the limitations and potential dangers of VRS emergency service and recommend the use of existing deaf and hard of hearing emergency services. Sorenson with the interpreting affiliates will develop and utilize an emergency call-handling database and adjust to new and developing VRS technologies to effectively handle VRS emergency calls and routing to PSAPs.

Current Waivers

Sorenson will operate under the current FCC waivers for VRS, specifically since video relay service does not require text based interchange between parties and the video transmission is over broadband Internet based infrastructure. Sorenson will not require

CA's to have competent skills in typing, spelling and the ability to communicate with ASCI/Baudot format. Due to video processing delays and normal latencies over the Internet of large bandwidth video, the real time voice communication standard is not possible with existing carrier infrastructures. STS and Spanish services are not initially required by the FCC for VRS providers. Sorenson will offer VRS services during normal business hours, Monday through Friday and does not plan to initially operate 24 hours per day, 7 days a week.

As in the waivers granted to Hamilton and Sprint for VRS, Sorenson will abide by the modified rules for emergency call handling, speed of answer, equal access to Interexchange carriers. Sorenson will not offer 900 number support unless mandated by future FCC regulations for VRS.

Request for Additional Waiver

The FCC has recently approved the VRS reimbursement rate in order to cover the increased costs of offering the service and to promote additional competition leading to the most effective solution and broader choice for consumers. The current requirements under FCC TRS rules, 47 C.F.R. 64.604 require in all cases that the only companies that are able to qualify for FCC/NECA reimbursement are current TRS providers. Text based communication via an unseen remote interpreter which lacks the ability to fully capture the deaf and hard of hearing person's emotion, inflection and intent. Text communication over phone lines is far less effective than video communication and has substantially different requirements for offering a VRS service. Several distinctions between VRS and TRS are listed below:

- Acceptable video communication performance requires broadband Internet.
 Existing telephone lines do not have the bandwidth for real time video communication required for video relay service.
- o Video relay equipment is more sophisticated and expensive to implement and requires a high degree of domain and technical expertise. Very few, if any, of the current interpreting agencies understand video communications at the level required to offer compelling video services. This has resulted in poor service, sub standard equipment deployment, long wait times and poor video quality.
- Sorenson expects to be approved by the Utah PUC as an Interexchange carrier and will provide the FCCMECA with local exchange carrier status in Utah in the near future.

Sorenson has invested millions of dollars into video communication technology, data centers and client end points. We believe we are uniquely positioned and qualified to offer video relay services and seek immediate approval for reimbursement for VRS trials lasting from 30 to 90 days. At the end of this period Sorenson will seek standard certification (5 years) for VRS reimbursement.

There is only one VRS provider who in partnership with a carrier is providing nation-wide VRS services. Due to the limited number of deaf and hard of hearing customers with adequate broadband, once such customers sign up with a company the cost to a new VRS company to attract these customers is great. Because of competitive pressures,

effective barriers to entry and Sorenson's view that competition is being unfairly limited by existing regulations that do not address video IP services, Sorenson requests a waiver to the TRS provider requirement for NECA reimbursement.

Please communicate **a** response to this notice, as well **as**, any operational issues regarding Sorenson VRS to:

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Please address any legal or regulatory issues with our council

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Thank-you for your immediate attention.

Pat Nola